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Attorneys for Plaintiffs, Operating Engineers'  
Health And Welfare Trust Fund for Northern California, et al.

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

OPERATING ENGINEERS' HEALTH AND  
WELFARE TRUST FUND FOR NORTHERN  
CALIFORNIA; DAN REDING and JAMES E.  
MURRAY, Trustees;

PENSION TRUST FUND FOR OPERATING  
ENGINEERS; DAN REDING and JAMES E.  
MURRAY, Trustees;

PENSIONED OPERATING ENGINEERS'  
HEALTH AND WELFARE TRUST FUND; DAN  
REDING and JAMES E. MURRAY, Trustees;

OPERATING ENGINEERS AND PARTICIPATING  
EMPLOYERS PRE-APPRENTICE, APPRENTICE  
AND JOURNEYMEN AFFIRMATIVE ACTION  
TRAINING FUND; DAN REDING and JAMES E.  
MURRAY, Trustees;

OPERATING ENGINEERS LOCAL UNION NO. 3  
VACATION, HOLIDAY AND SICK PAY TRUST  
FUND; DAN REDING and JAMES E. MURRAY,  
Trustees; and

OPERATING ENGINEERS LOCAL 3 HEAVY  
AND HIGHWAY TRUST FUND,

Plaintiffs,

v.

FOOTHILL SWEEPING, a California Corporation;

Case No.

**COMPLAINT**

1 and CASEY J. SWINEY, an Individual,

2 Defendants.

3 Parties

4 1. The Operating Engineers' Health and Welfare Trust Fund (which includes the Assistance  
5 and Recovery Program, Inc.) ("Health Fund"); Pension Trust Fund for Operating Engineers (which  
6 includes the Pension Plan for the Pension Trust Fund for Operating Engineers, and the Operating  
7 Engineers Annuity Plan, and the Rehabilitation Fund) ("Pension Fund"); Pensioned Operating  
8 Engineers' Health and Welfare Trust Fund (which includes an Administration Fund) ("Pensioned Health  
9 Fund"); Operating Engineers and Participating Employers Pre-apprentice, Apprentice and Journeymen  
10 Affirmative Action Training Fund ("Affirmative Action Training Fund"); and the Operating Engineers  
11 Local Union No. 3 Vacation, Holiday and Sick Pay Trust Fund ("Vacation Fund") are employee benefit  
12 plans as defined in the Employee Retirement Income Security Act of 1974 ("ERISA") § 3(3), 29 U.S.C.  
13 § 1002(3), and are multi-employer plans as defined by ERISA § 3(37)(A), 29 U.S.C. § 1002(37)(A).  
14 Dan Reding and James E. Murray are Co-Chairmen of the Joint Boards of Trustees of the Health Fund,  
15 Pension Fund, Pensioned Health Fund, Affirmative Action Training Fund, and Vacation Fund, and have  
16 authority to act on behalf of all Trustees of those Funds. The Funds and their fiduciaries are together  
17 referred to herein as "ERISA Plaintiffs" or "Plaintiffs."

18 2. The Operating Engineers Local 3 Heavy and Highway Trust is a Trust established under  
19 the Labor Management Relations Act ("LMRA"), 302(c)(9), 29 U.S.C. § 186(c)(9).

20 3. Foothill Sweeping, a California corporation, and Casey J. Swiney, an individual  
21 (collectively, "Defendants"), are employers by virtue of ERISA § 3(5), 29 U.S.C. § 1002(5), and NLRA  
22 § 2(2), 29 U.S.C. § 152(2), 29 U.S.C. § 152(2).

23 Jurisdiction

24 4. Jurisdiction exists in this Court over the claims asserted by ERISA Plaintiffs by virtue of  
25 ERISA § 502, 29 U.S.C. § 1132, in that ERISA Plaintiffs seek to enforce the provisions of ERISA and  
26 the terms of their plans, seek to enjoin the acts and practices which violate ERISA, seek equitable relief  
27 to redress such violations, and seek all other appropriate relief under ERISA.

6           6.       To the extent jurisdiction over any claim does not exist under ERISA or the LMRA,  
7 supplemental jurisdiction exists in this Court over such claims by virtue of 29 U.S.C. § 1367 in that they  
8 arise out of a common nucleus of operative facts that form the basis of the federal claims asserted  
9 herein, each of which has a substantial ground in federal jurisdiction.

7. Venue is conferred upon this Court by ERISA § 502, 29 U.S.C. § 1132. Where an action is brought under ERISA § 502 in a district court of the United States, it may be brought at Plaintiffs' discretion, in the district where the plan is administered, where the breach took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found. ERISA Plaintiffs' Trust Funds are administered in this district at their principal place of business in Alameda, California. Thus, jurisdiction and venue are properly grounded with this Court.

8. Venue exists in this Court with respect to the claims under LMRA § 301(a), 29 U.S.C. § 185, as this Court has jurisdiction over the parties, as the Union maintains its principal place of business in this district, its duly authorized officers or agents are engaged in representing employee members in this district, and the claims arise in this district.

9. The basis for assignment of this action to this Court's Oakland Division is that all of the events and omissions giving rise to Plaintiffs' claims occurred in the County of Alameda, where ERISA Plaintiffs' Funds and the Bargained Entities are administered, and where Defendants therefore failed to fulfill their statutory and contractual obligations to Plaintiffs.

28 3

Bargaining Agreements

10. Defendant Foothill Sweeping entered into the Independent Northern California Construction Agreement (the “Independent Agreement”) with the Union, which incorporates the Master Agreement (“Master Agreement”) between the Union and the United Contractors, Associated General Contractors of California, Inc., Industrial Contractors UMIC, Inc., and Northern Alliance of Engineering Contractors. Under the terms of the Independent Agreement, the principal shareholder of Defendant Foothill Sweeping – Defendant Casey J. Swiney – personally guaranteed all amounts claimed herein.

11. The Independent Agreement and Master Agreement (collectively, “Bargaining Agreements”) incorporate the terms of the Trust Agreements establishing the Trust Funds (“Trust Agreements”), which require Defendants to provide employer contributions to Plaintiffs’ Trust Funds, to the Union for union dues, and to the Bargained Entities more fully described in the Bargaining Agreements. ERISA Plaintiffs are third-party beneficiaries of the Bargaining Agreements.

12. Under the terms of the Bargaining Agreements, and Trust Agreements incorporated therein, Defendants are required to pay certain contributions to the Operating Engineers’ Vacation, Holiday & Sick Pay Trust Fund; Job Placement Center and Market Area Committee Administration Market Preservation Fund; Construction Industry Force Account; Operating Engineers Industry Stabilization Trust Fund; Heavy & Highway Trust Fund; and Business Development Trust Fund (including the California Alliance for Jobs) (together referred to herein as “Bargained Entities”) and dues to the Union. Plaintiffs’ Boards of Trustees have been authorized to collect and distribute monies due to the Bargained Entities as well as dues due to the Union under the Bargaining Agreements and Trust Agreements.

13. Under the Bargaining Agreement and Trust Agreements, which are incorporated into the Bargaining Agreement and made binding on Defendants, Defendants are required to regularly pay to ERISA Plaintiffs, the Bargained Entities, and the Union, certain sums of money, the amounts of which are determined by the hours worked by Defendants’ employees. Contributions are due on the fifteenth (15th) day of the month following the month in which hours were worked, and are considered delinquent if not received by the twenty-fifth (25th) day of that month. Defendants are also required,

1 pursuant to the Bargaining and Trust Agreements, to pay liquidated damages in the amount of ten  
2 percent (10%) for each delinquent contribution, but in the amount of twenty percent (20%) for each  
3 delinquent contribution which is the subject of litigation. Moreover, the Bargaining and Trust  
4 Agreements provide that interest accrues on delinquent contributions at the rates reasonably set by the  
5 Trustees from the date they become delinquent, which is the twenty-sixth (26th) day of the month in  
6 which payment was due, until paid in full.

7 14. The Bargaining and Trust Agreements further require Defendants to maintain time  
8 records or time cards, and to permit an authorized Trust Fund representative to examine such records of  
9 Defendants as are necessary to determine whether Defendants have made full payment of all sums owed  
10 to ERISA Plaintiffs. Should an audit of Defendants' records reveal Defendants have failed to provide  
11 full and prompt payment of all sums due to Plaintiffs, Defendants must reimburse Plaintiffs for the  
12 amounts due, including audit fees, in addition to any other obligations pursuant to the Bargaining and  
13 Trust Agreements.

14 Factual Allegations

15 15. Defendants have failed and refused to comply with an audit of their payroll records for  
16 the period from January 1, 2018 through September 30, 2019.

17 16. Defendants have also failed to report and pay contributions for hours worked by their  
18 employees during the month of March 2019, and the period from January through May 2020. In  
19 addition to the contributions due, liquidated damages and interest are owed to Plaintiffs for the unpaid  
20 contributions for the above-referenced months, as well as for prior late-paid contributions for the  
21 periods: July through October 2018, December 2018 through January 2019, and April through  
22 November 2019.

23 17. Plaintiffs are also entitled to recover any and all other contributions, and all liquidated  
24 damages and interest on delinquent contributions not specified above, found due on timecards, audit, or  
25 otherwise, including estimated contributions for any months Defendants fail to report to Plaintiffs,  
26 through the time of Judgment. Plaintiffs reserve the right to conduct a further audit to determine whether  
27 there are any additional amounts due from Defendants.

**FIRST CAUSE OF ACTION**  
**For Compliance with an Audit of their records and Payment of Delinquent Contributions,**  
**Interest, Liquidated Damages, Attorneys' Fees and Costs Against Defendants**

18. Plaintiffs re-allege and incorporate by reference paragraphs 1 through 17, above.

19. Defendants have a contractual duty to timely provide reports of monthly amounts due, and pay the required contributions to Plaintiffs and the Bargained Plans, and to timely pay dues to the Union, pursuant to the Bargaining Agreements and Trust Agreements. Defendants also have a contractual duty under the Bargaining Agreements and Trust Agreements to permit an audit of their records to determine whether it is making full and prompt payment of all sums required to be paid by it to Plaintiffs, and to pay Plaintiffs all amounts found due as a result of an audit, including audit fees.

20. In addition, Defendants have a statutory duty to timely make the required payments to Plaintiffs under ERISA § 515, 29 U.S.C. § 1145, and LMRA § 301(a).

21. By refusing to permit an audit of its records, Defendants breached the Bargaining Agreement and is in violation of ERISA § 515, 29 U.S.C. § 1145, and LMRA § 301(a).

22. Defendants' failure and refusal to permit the audit and pay the required contributions was at all times, and still is, willful. Defendants continue to breach the Bargaining Agreement, and incorporated Trust Agreements, by failing to permit the audit and pay all amounts owed as alleged. Said refusal is unjustified and done with knowledge and intent.

23. ERISA Plaintiffs are without an adequate remedy at law and will suffer continuing and irreparable injury, loss and damage unless Defendants are ordered specifically to perform all obligations required on Defendants' part to be performed under ERISA, 29 U.S.C. §§ 1101-1381, the LMRA, 29 U.S.C. §§ 141-197, and the Bargaining and Trust Agreements, and are restrained from continuing to refuse to perform as required thereunder.

24. This Court is authorized to issue injunctive relief based on the traditional standard. As set forth above, ERISA Plaintiffs have a strong likelihood of success on the merits. There is the possibility that ERISA Plaintiffs' Trust Funds and their participants will suffer irreparable injuries. The balance of hardships and advancement of public interest favor ERISA Plaintiffs.

25. This Complaint does not in any manner relate to statutory withdrawal liability that may or

1 may not be assessed against Defendants. ERISA Plaintiffs expressly reserve the right to pursue any such  
2 withdrawal liability claims against Defendants as provided by ERISA Plaintiffs' Plan Documents, Trust  
3 Agreements, and the law.

4 Prayer

5 WHEREFORE, Plaintiffs pray as follows:

6 1. For an order,

7 (a) requiring that Defendants comply with their obligations to Plaintiffs under the  
8 terms of the Bargaining Agreements and the Trust Agreements, including permitting an audit of its  
9 records as requested by Plaintiffs;

10 (b) enjoining Defendants from violating the terms of those documents and of ERISA;  
11 and

12 (c) enjoining Defendants from disposing of any assets until said terms have been  
13 complied with, and from continuation or operation of Defendant's business until said terms have been  
14 complied with.

15 2. For a judgment against Defendants as follows:

16 (a) Any unpaid contributions, due at time of Judgment, including those determined  
17 as due by audit, timecards, or otherwise, including estimated contributions for any months Defendants  
18 fail to report to Plaintiffs pursuant to ERISA § 502(g)(2)(A), 29 U.S.C. § 1132(g)(2)(A);

19 i. To ERISA Plaintiffs and the Bargained Plans, in accordance with ERISA  
20 § 502(g)(2)(A), 29 U.S.C. § 1132(g)(2)(A) and the Bargaining Agreements;

21 ii. To the Union in accordance with the Bargaining Agreements.

22 (b) Liquidated damages on all late-paid and unpaid contributions in an amount  
23 provided for under the Bargaining and Trust Agreements, and with respect to ERISA Plaintiffs, ERISA  
24 § 502(g)(2)(c), 29 U.S.C. § 1132(g)(2)(c).

25 (c) Interest on all late-paid and unpaid contributions at the rates set in accordance  
26 with the Bargaining Agreements, the Trust Agreements, and ERISA § 502(g)(2)(B), 29 U.S.C. §  
27 1132(g)(2)(B).

1           3.       Plaintiffs' reasonable attorneys' fees and costs of this action, including any audit fees, in  
2 accordance with ERISA § 502(g)(2)(D) and (E), 29 U.S.C. § 1132(g)(2)(D) and (E); and in accordance  
3 with the Bargaining Agreements for all Bargained Plans; and with LMRA § 301, 29 U.S.C. § 185, for  
4 all Plaintiffs.

5           4.       That the Court retain jurisdiction of this case pending compliance with its orders.

6           5.       For such other and further relief as the Court may deem just and proper  
7

8 DATED: July 10, 2020

SALTZMAN & JOHNSON LAW CORPORATION

9  
10 By: /S/Luz E. Mendoza

11 Luz E. Mendoza

12 Attorneys for Operating Engineers' Health And  
13 Welfare Trust Fund for Northern California, et al.  
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